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PATENT
Attorney Docket No. 85758-722325
(020425-105100US)
Client Ref. No. SCHB-4100

KILPATRICK TOWNSEND & STOCKTON LLP

By: 
Saundra D. Hunter

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

MILOSAVLJEVIC, Olga

Application No.: 09/880,170

Filed: June 12, 2001

For: SYSTEM AND METHOD FOR
INCOME PLANNER

Confirmation No. 5814

Examiner: OYEBISI, Ojo O.

Technology Center/Art Unit: 3695

APPELLANTS' BRIEF UNDER
37 CFR §41.37

Mail Stop Appeal Brief
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Commissioner:

Further to the Examiner's Answer mailed on April 18, 2011 for the above-
referenced application, Appellants submit this Reply Brief.

I. Status of Claims

Claims 3, 6, 8, 10, 21-35, 37, 38, and 42 are cancelled. Claims 1, 2, 4, 5, 7, 9, 11-20, 36, 39-41, and 43-48 are rejected, and the rejection thereof is being appealed.

II. Grounds of Rejection to be Reviewed on Appeal

The grounds of rejection to be reviewed on appeal are:

Are claims 1, 2, 4, 5, 7, 9, 11-20, 36, 39-41, and 43-48 obvious under 35 U.S.C. §103(a) over U.S. Patent Publication No. 2002/0035527 to Corrin (hereinafter "*Corrin*") in view of a publication entitled "The First Cut is the Cheapest: Retirement distributions can come from many sources, IRAs, 401(k)s, and so on. Knowing where to start can prolong earnings growth," Financial Planning, New York: April 1, 1999, p. 1 by Longo (hereinafter "*Longo*")?

III. Response to Examiner's Argument

In the Examiner's Answer dated April 18, 2011, the prior rejections were maintained and additional comments were presented in response to the Appeal Brief filed on January 18, 2011. Appellants stand on the arguments presented in the Appeal Brief and present the following comments directed to the Examiner's Answer.

A. Rejection of Claims 1, 2, 4, 5, 7, 9, 11-20, 36, 39-41, and 43-48 under 35 U.S.C. §103(a) as Being Obvious over *Corrin* in View of *Longo*

1. Independent Claim 1

As stated in the Appeal Brief, Appellants respectfully assert that the claims are not obvious over the combination of *Corrin* in view of *Longo* because neither of these references discloses, teaches, or suggests all of the limitations in claim 1.

a. *The cited art does not disclose, teach, or suggest a "current performance planning table"*

Obviousness has not been established, since *Corrin* and *Longo* do not disclose, teach, or suggest every element of the claims. For example, independent claim 1 recites, *inter alia*:

providing, using a display, a **current performance planning table**, wherein said table allows for assessing approximate current yield and total return information in order to determine **which holdings of said assets** provide cash flow versus growth required to meet said in-retirement goals, and further wherein said current performance planning table includes information on **each asset's** annual income, 1-year and 5-year total returns, and current value.

The Examiner's Answer states:

The appellant argues in substance that the prior arts of record fails to disclose a current performance planning table, wherein said table allows for assessing approximate current yield and total return information. Contrary to the applicant's assertion, Corrin discloses returns chart and table which calculates the periodic yield and return of an investment portfolio (see paras 0346). The examiner contends that the return chart and table, as taught by Corrin, is a akin to the appellant performance planning table.

It thus appears that the Action is equating the "Quarterly Returns Chart" and the "Calculate Returns Table," referred to in [0346] to the claim's current performance planning table. Below, the cited paragraph is reproduced below along with the paragraph preceding the cited paragraph.

[0345] Choice 1 110 and Choice 2 111 require minimum rates of return in order for each strategy to succeed. Portfolios 105 which have been optimized to provide an expected target rate of return with the least expected risk are provided in 113 and 114. The selection process is based on the required return for each Choice and selected from a table which contains the names and weights of the suggested investments. In an education embodiment of the invention, the weights and names of the asset classes are given.

[0346] The Quarterly Returns Chart 115 displays the calculated time weighted periodic (quarterly in most cases) returns. The Calculate Returns Table 531 uses mathematics well known in the art to calculate time weighted returns using deposits, withdrawals and beginning and ending balances for each of the periods. The chart 115 in FIG. 2 illustrates the volatility of the periodic returns and provides a trend line to enable the participant to evaluate the performance of his account. The Calculate Compounded Returns table 532 uses the periodic returns to calculate compounded returns for up to twenty periods. Again these calculations are well known in the art. The Compounded Returns Chart 116 provides a means for the participant to compare his actual long-term account performance with that of his expected account performance. This is a key factor in determining the success of an investment strategy.

Corrin's disclosures of the Quarterly Returns Chart and Calculate Returns Table each amount to a single sentence. The referenced "FIG. 2" was not included in the publication and can thus provide no further indication of what was included in the chart and table. Nonetheless, it appears from these paragraphs that the chart and table display values relate to an entire account's portfolio – not individual assets. The chart or table would therefore not be able to "allow[] for assess[ments] ... in order to determine **which holdings of said assets** provide cash flow versus growth required to meet said in-retirement goals."

Additionally, claim 1 recites, *inter alia* that the current performance planning table "**allows for assessing approximate current yield** and total return information." *Corrin's* Quarterly Returns Chart and Calculate Returns Table, however, appear to only display historical returns. The disclosed "time weighted periodic returns" are not equivalent to "approximate current yield."

Further, claim 1 recites, *inter alia*, that the current performance planning table “allows for assessing approximate current yield and total return information in order to **determine which holdings of said assets provide cash flow versus growth** required to meet said in-retirement goal.” In *Corrin*, there is no disclosure that any data in the table is used to determine anything about cash flow or growth, much less cash flow versus growth. Rather, it appears as though *Corrin* stops at assessing an account’s returns.

For at least the above reasons, *Corrin* does not anticipate or render obvious a “current performance planning table” as claimed. Furthermore, *Longo* is not cited by the Examiner for such limitations, as *Longo* does not teach or suggest, alone or in combination with *Corrin*, such a table.

Therefore, the cited art does not render obvious claim 1 or claims dependent thereon. Claim 46 and claims dependent thereon are also not obvious over the cited art for at least similar reasons.

- b. *The cited art does not teach or suggest “wherein said current performance planning table includes information on each asset’s annual income, 1-year and 5-year total returns, and current value”*

Furthermore, the cited art does not disclose, teach, or suggest the limitation of claim 1 “wherein said current performance planning table includes information on each asset’s annual income, 1-year and 5-year total returns, and current value.” On page 12 of the Examiner’s Answer, the Examiner responded:

The appellant further argues that the prior arts fail to disclose “wherein said current performance planning table includes information on each asset’s annual income, 1-year and 5-year total returns, and current value.” Contrary to the applicant’s assertion, *Corrin* table shows value of the account balances, returns and the expected returns (see paras 0144 and 0346). The examiner contends that 1-yr and 5-year total returns are nothing but expected returns or even periodic returns, which are explicitly taught by *Corrin* (see paras 0144 and 0346).

Appellants respectfully disagree. First, as stated above, *Corrin* does not provide information “on each asset” as claimed. Neither of *Corrin*’s Quarterly Returns Chart nor *Corrin*’s Calculate Returns Table include **any** information on **each asset**, much less each asset’s annual income, 1-year and 5-year total returns, and current value. Rather, the cited chart and table appear to display returns of an entire account portfolio.

Second, as stated in Appellant’s Notice of Appeal, *Corrin* is silent regarding “annual income” and “current value” for each asset. In the Examiner’s Answer, the Quarterly Returns Chart and Calculate Returns Table are asserted to be equivalent to the claim’s current performance planning table. Neither the chart nor table include information on **any** annual income or current value. (See ¶[0346], reproduced above, which is the only paragraph referring to the Quarterly Returns Chart and Calculate Returns Table.)

Third, the Quarterly Returns Chart and Calculate Returns Table are not disclosed as including information on 1-year **and** 5-year total returns. Rather, the chart’s returns are “quarterly in most cases.” The table’s returns are “for up to twenty periods.” There is no disclosure that information is provided on returns for two time periods, much less 1-year and 5-year time periods.

Thus, for at least the above reasons, independent claim 1 and claims dependent thereon are not obvious over the cited art. Claim 46 and claims dependent thereon are also not obvious over the cited art for at least similar reasons.

- c. *The cited art does not teach or suggest a “findings overview report”*

Corrin in view of *Longo* also does not disclose, teach, or suggest the limitations of claim 1 including:

providing, using a display, a findings overview report based on said analysis, wherein the findings overview report includes the in-retirement goals, and the likelihood that the priority goal will be met if the in-retirement income stream withdrawal strategy is followed, **wherein the likelihood is displayed as a percentage**, and the findings overview report further including an **asset drawn down schedule** which shows a predicted end of year account

balance for each of the plurality of different types of customer accounts if the in-retirement income stream withdrawal strategy is followed

(emphasis added). Aspects of an embodiment of a findings overview report are shown in FIG. 4 of the present application, and discussed at Specification p. 18, line 11 – p. 19, line 18 of the present application.

Page 13 of the Examiner's Answer re-iterated the Examiner's previous stance: the Answer stated that *Corrin* discloses an "investment advisory report" that "is akin to appellant's claimed limitation of providing a findings overview report based on the analysis." The Answer also states that "[*Corrin* teaches] an advisory report that quantifies meaningful saving goals, determines the effectiveness of the investor's current strategy, establishes investment performance expectations, offers investment guidance, and monitors and reevaluates their progress, [and these attributes] ... encompass the in-retirement goals and asset drawn down schedule." The Answer continues, "Further still, the in-retirement goals and asset drawn down schedule are nothing but information/data which can easily be included in investment advisory report of *Corrin* without altering/changing the system of *Corrin*." Appellants respectfully assert that all of these arguments are incorrect.

First, Appellants note that the Answer fails to indicate where either reference teaches or suggests "providing ... a findings overview report ... include[ing] ... the likelihood that the priority goal will be met if the in-retirement income stream withdrawal strategy is followed, **wherein the likelihood is displayed as a percentage.**" Appellants assert that this element is not taught or suggested by either reference. The Examiner's Answer cites to ¶¶[0010]-[0011] of *Corrin*, which states, e.g., that "the system provides investors with a complete account analysis and investment advisory report that quantifies meaningful saving goals, determines the effectiveness of the investor's current strategy, [and] establishes investment performance expectations" While this disclosure indicates that saving goals are quantified in *Corrin*, there is no disclosure of making a prediction of the likelihood – in terms of a percentage – that a goal will be met.

Second, the references do not teach or suggest “providing ... a findings overview report ... include[ing] ... in-retirement goals” or “providing ... a findings overview report ... including an asset drawn down schedule which shows a predicted end of year account balance for each of the plurality of different types of customer accounts if the in-retirement income stream withdrawal strategy is followed.” The Answer first asserts that the in-retirement goals and the asset drawn down schedule are encompassed by the general objectives disclosed in ¶¶[0010]-[0011]. However, the generalities disclosed by *Corrin* do not “encompass” the specific claim limitations of independent claim 1.

The Answer then asserts that “the in-retirement goals and asset drawn down schedule are nothing but information/data which can easily be included in investment advisory report of *Corrin* without altering/changing the system of *Corrin*.” However, this is merely an unsubstantiated conclusion about what is obvious. Appellants cannot properly evaluate the Examiner’s position, as no reference supporting the conclusion of obviousness was provided. Merely hypothesizing about variable that may be included in a report may overlook practical problems that would become evident upon citations of specific references. For example, inclusion of too much data in a report may overwhelm and confuse investors.

Moreover, the specific limitations regarding the asset drawn down schedule can be used in a forecasting and investment strategy. As such, it is not just “information/data which can easily be included in an investment advisory report of *Corrin* without altering/changing the system of *Corrin*” as claimed on page 13 of the Examiner’s Answer. *Corrin* is drawn to a different investment strategy than the claimed method, as *Corrin* attempts to evaluate “the investor’s current saving and investment strategy” in preparation for retirement. *Corrin* ¶ [0028]. Changing the “information/data” would change the strategy, and thus *Corrin* teaches away from such modifications.

Thus, for at least the above reasons, independent claim 1 and claims dependent thereon are not obvious over the cited art. Claim 46 and claims dependent thereon are also not obvious over the cited art for at least similar reasons.

2. Independent Claim 46

Independent claim 46 describes a method for using a desktop including a display for forecasting a likelihood that a customer's assets meet in-retirement goals. The method of claim 46 includes at least somewhat similar features to independent claim 1, and thus, claim 46 is allowable for at least the same reasons as argued regarding claim 1, above. That is, claim 46 is not obvious over *Corrin* in view of *Longo* because the combination of these references does not disclose, teach, or suggest "a current performance planning table..., wherein said current performance planning table includes information on each asset's annual income, 1-year and 5-year total returns, and current value," and "a findings overview report."

Claim 46 further recites "providing, using a computer, a summary of findings report, wherein the summary of findings report shows the likelihood for meeting the estate goal, a best case estate result, a worst case estate result, and an expected case estate result." On page 14 of the Examiner's Answer, the Examiner responded:

The appellant further argues that the prior arts fail to disclose "The summary of finding report", as recited in claim 46. Contrary to the applicant's assertion, the system of *Corrin* provides investors with a complete account analysis and investment advisory report that quantifies meaningful saving goals, determines the effectiveness of the investor's current strategy, establishes investment performance expectations, offers investment guidance, and monitors and reevaluates their progress. Through a form of artificial intelligence, the invention brings the same sophisticated investment analysis techniques used by large pension plans and money managers to the individual investor, allowing him to interpret account statement information from current and previous periods and easily relate it to two quantifiable goals. Thus, *Corrin's* disclosure that his system provides investors with a complete account analysis and investment advisory report is akin to applicant's claimed limitation of providing "The summary of finding report."

The mere assertion that *Corrin* states an objective of providing a complete account analysis and investment advisory report is insufficient to sustain an obviousness rejection relying on this reference for teaching or suggesting the summary of findings report. Specifically, *Corrin* fails to teach or suggest the specific claim-required elements of the report: the likelihood for meeting the estate goal, a best case estate result, a worst case estate result, and an expected case estate result.

Thus, the references do not teach or suggest a summary of findings report as recited in claim 46. At least for this additional reason, *Corrin* and *Longo* do not render obvious independent claim 46 or the claims dependent thereon.

3. Dependent Claim 9

Dependent claim 9 depends on independent claim 1, and is allowable for the same reasons as argued regarding claim 1, above. Claim 9 further recites that “said withdrawal strategy further comprises designating when and how much to withdraw from taxable, 401K, traditional IRA, and Roth IRA accounts.” The Examiner admits that the cited art does not explicitly disclose the limitations of claim 9, but argues that the limitations would have been obvious to anyone of ordinary skill in the art at the time of invention. (Examiner’s Answer; page 8.) However, in support of the argument, the Examiner merely recites the related tax penalties for early withdrawal and that designating “when and how much to withdraw” based on those tax penalties would be obvious. In the Notice of Appeal, Appellants traversed this rejection. In the Examiner’s Action, the Examiner responded:

The appellant further argues that the prior arts of record fail to disclose the step wherein said withdrawal strategy further comprises designating when and how much to withdraw from taxable, 401 K, traditional IRA and Roth IRA accounts, as recited in claim. Official notice is taken that this is a well known practice in the art. For example, there are tax related penalties related to the early withdrawal of funds from a Roth IRA account. If a user withdraws funds before the age of 59 ½ years there is a steep tax placed on the amount of withdrawal. Therefore, a prudent withdrawal strategy would be to refrain from withdrawing from this account until the appropriate time, and furthermore if it was vital for funds to be withdrawn, the strategy would further call for an amount representing the absolute minimum be withdrawn so that the remainder of the money in the account can continue to accumulate. Thus this step would have been obvious to anyone of ordinary skill in the art at the time of invention and one of ordinary skill would have been motivated to incorporate this old and well known scheme in Corrin so that the remainder of the money in the account can continue to accumulate.

The tax code is complicated. Determining advantageous financial strategies in view of tax consequences involve many considerations, such as tax brackets, deductions, projected future tax brackets, past deductions, the age of the tax filer, financial objectives, etc. The Examiner's own example includes the following data: type of investment (Roth IRA), tax-filer age, whether it is vital to withdraw funds, and the minimum amount that could be withdrawn to fulfill the vital objective. Meanwhile, Corrin discloses that "most investors do not want to be bothered with entering volumes of data into a software program or web site." Thus, the reference teaches away from modifying its disclosure to include the element of claim 9. Further, the Examiner's conclusory statement of what is obvious is specifically inapposite when applied to the integration of two complicated fields: taxes and investments. For at least this additional reason, Appellants submit that claim 9 is not obvious over the cited art.

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In view of the above additional arguments, Appellants respectfully request a reversal of the rejections of record.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michelle Esteban", with a long horizontal flourish extending to the right.

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